

CENTRAL LIQUIDITY FACILITY (CLF)



PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS October 31, 2020

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J. OWEN COLE, JR.
CLF PRESIDENT

**NATIONAL CREDIT UNION ADMINISTRATION
CENTRAL LIQUIDITY FACILITY**

**MANAGEMENT OVERVIEW
October 31, 2020**

Balance Sheet

Assets: Interest receivable consists of investments in U.S. Treasury securities.

Current Liabilities: Dividend & Interest expenses for the month were \$127 thousand in October 2020.

Other Liabilities: Other liabilities include pending redemption of \$119 thousand that was reclassified from capital stock.

Capital Stock includes \$418 million from corporate credit unions that joined the CLF as Agent Members.

Retained Earnings include year to date net income of \$1,943 thousand.

Statements of Revenues, Expenses, and Changes in Fund Balance

Investment Income: Investment earnings for the month totaled \$471 thousand or current month's average yield of 0.53%. This is consistent with prior month's average yield.

Expense: Operating expenses for the month were \$75 thousand.

Net Income: Net income before dividends was \$395 thousand for the month which is similar to prior month.

Borrowing Authority, Investment Activity, Membership and Loans

Borrowing Authority: As of October 31, 2020 and October 31, 2019, CLF's statutory borrowing authority were as follows:

(Dollars in billions)	October 31, 2020	October 31, 2019
Under Statutory Borrowing Authority 12 times Capital Stock and Surplus	\$24.6B	\$7.3B
During CARES Act Period* 16 times Capital Stock and Surplus	\$32.8B	n/a

Investment Purchases: \$0.

Maturities of Treasury Notes: \$10,000,000.00.

Outstanding Investments (Treasury securities listed at carrying amount): U.S. Treasury Notes \$935,973,714, and U.S. Treasury Cash \$109,891,845.

Regular Membership: 341. Agent Membership: 11.

Loans: \$0, Borrowing Activity: \$0.

*The Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") spans from the date it was signed into law until the date it sunsets March 27, 2020 through December 31, 2020 .

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

BALANCE SHEETS

As of October 31, 2020 and October 31, 2019

(Dollars in thousands)

	<u>October 2020</u>	<u>October 2019</u>
ASSETS		
Cash and Cash Equivalents	\$ 109,892	\$ 16,167
Investments, Net U.S. Treasury Securities	935,974	316,227
Accrued Interest Receivable - Investments	<u>1,461</u>	<u>1,214</u>
TOTAL ASSETS	<u><u>\$ 1,047,326</u></u>	<u><u>\$ 333,607</u></u>
LIABILITIES		
Accounts Payable	\$ 187	\$ 123
Dividends & Interest Payable	127	435
Regular Member Deposits - Liquidity Reserve	4,010	5,833
Other Liabilities	<u>119</u>	<u>3,196</u>
TOTAL LIABILITIES	<u><u>4,443</u></u>	<u><u>9,588</u></u>
MEMBERS' EQUITY		
Capital Stock Regular Members	588,034	289,096
Capital Stock Agent Members	417,945	-
Retained Earnings Prior Year	34,960	33,932
Retained Earnings Current Year	<u>1,943</u>	<u>992</u>
TOTAL MEMBERS' EQUITY	<u><u>1,042,883</u></u>	<u><u>324,020</u></u>
TOTAL LIABILITIES AND EQUITY	<u><u>\$ 1,047,326</u></u>	<u><u>\$ 333,607</u></u>

The balances in the statement above are preliminary and unaudited

**NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY
STATEMENTS OF OPERATIONS**

For the Periods Ended October 31, 2020 and October 31, 2019

(Dollars in thousands)

	October 2020	Year-to-Date October 2020	Year-to-Date October 2019
REVENUES			
Investment Income	\$ 471	\$ 4,691	\$ 5,289
Other Income	-	-	3
Total Revenues	471	4,691	5,292
EXPENSES			
Employee wages and benefits, net	57	568	316
Rent, communications, and utilities	3	22	24
Other	16	135	109
Total Operating Expenses	75	725	449
NET INCOME BEFORE DIVIDENDS & INTERESTS	395	3,966	4,843
Dividends & Interests	127	2,023	3,851
NET INCOME	\$ 269	\$ 1,943	\$ 992

The balances in the statement above are preliminary and unaudited

NATIONAL CREDIT UNION ADMINISTRATION CENTRAL LIQUIDITY FACILITY

DIVIDENDS, RATIOS AND SHARES OUTSTANDING

DIVIDEND RATES:	2020	2019	2018
Dividend Rate First Quarter	0.75%	1.50%	1.00%
Dividend Rate Second Quarter	0.50%	1.50%	1.25%
Dividend Rate Third Quarter	0.25%	1.75%	1.25%
Dividend Rate Fourth Quarter		1.75%	1.50%

SELECTED RATIOS:	10/31/2020	10/31/2019
Stock & Retained Earnings/Total Assets	99.58%	97.12%
Loans/Total Assets	0.00%	0.00%
Loans/Stock & Retained Earnings	0.00%	0.00%
Total Liabilities/Stock & Retained Earnings	0.43%	2.96%

	10/31/2020	10/31/2020	10/31/2019
	Month	YTD	YTD
Total Operating Expenses/Total Revenue	15.17%	14.83%	7.99%
Net Income(before Divds)/Total Revenue	83.98%	84.12%	90.42%
Loan/Total Revenue	0.00%	0.00%	0.00%

CAPITAL STOCK:

Required (\$50 par value; authorized: 40,239,164 shares; issued and outstanding: 20,119,582 shares)

The information in the supplement above are preliminary and unaudited